

JUDGE CHIN
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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GALBRAITH & PAUL, INC.,

Plaintiff,

V.

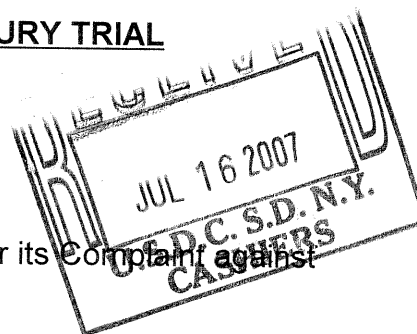
CHIASSO ACQUISITION LLC,

Defendant.
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07 CV 6447
Civil Action No.

COMPLAINT

JURY TRIAL



Plaintiff Galbraith & Paul, Inc., by its attorneys, for its Complaint against
Defendant Chiasso Acquisition LLC, alleges as follows:

JURISDICTION AND VENUE

1. This complaint alleges causes of action for copyright infringement under the Copyright Laws of the United States, 17 U.S.C. §101 et seq.
2. The Court has subject matter jurisdiction in this action pursuant to 28 U.S.C. §§1331.
3. Venue is proper in this judicial district pursuant to 28 U.S.C. §§1391 (b)-(d) and 1400(a).

PARTIES

4. Plaintiff Galbraith & Paul, Inc. (hereinafter "Plaintiff" or G&P) is a corporation organized and existing under the laws of the State of Pennsylvania.
5. G&P is a well known designer of original textile products which are sold throughout the United States and the world. G&P conducts a significant amount of its

business in this judicial district.

6. Upon information and belief, Defendant Chiasso Acquisition LLC (hereinafter "Chiasso") is an Illinois corporation involved in the importation and selling of various products for the home, including rugs.

7. Upon information and belief, Chiasso sells its products through its catalogs, website and to retail stores throughout the United States, and has made offers to sell and sales in New York.

COUNT I

(Copyright Infringement By the Sale of Rugs)

8. This cause of action arises under the Copyright Laws of the United States, Title 17 United States Code Sec. 101 et seq.

9. G&P is well known for creating unique and original textile designs. One of G&P's most popular and widely publicized original designs is a design that G&P identifies as "BEADS" (hereinafter the "G&P BEADS Design").

10. G&P's BEADS Design consists of material which is wholly original and is copyrightable subject matter under the Copyrightable Laws of the United States, 17 U.S.C. Sec. 101 et seq.

11. G&P has previously duly complied with the provisions of the Copyright Laws of the United States, and has secured rights and privileges in and to its BEADS design, and has duly requested from the Register of the Copyrights a Certificate of Registration pertaining to said design, identified as "BEADS", Copyright Registration No. VA1-140-939 registered on August 28, 2002. A copy of said issued Certificate of

Copyright Registration is attached hereto as Exhibit A and a copy of said BEADS Design is attached as Exhibit B.

12. All copies of G&P's BEADS Design have been sold and/or used in conformity with the provisions of the Copyright Laws of the United States.

13. Upon information and belief, Defendant Chiasso having full knowledge of the copyright rights of G&P in the BEADS Design as alleged herein, has infringed the aforesaid copyright of G&P by displaying, distributing and selling rugs with a design copied from G&P's BEADS Design.

14. A photograph of an infringing rug sold by the Defendant is attached hereto as Exhibit C.

15. Plaintiff has given notice to Defendant of its rights, and Defendant has failed to stop its wrongful activities.

16. Upon information and belief, Chiasso has caused and profited from the foregoing acts of infringement.

17. All of the acts of Defendant as set forth in the preceding paragraphs were undertaken without the permission, license, or consent of G&P, and are irreparably damaging to G&P.

19. Plaintiff has been damaged by the acts of Defendant which, if not stopped, will injure Plaintiff at least in the amount of \$500,000.

COUNT II

**(Copyright Infringement
By Publication and Displaying By Catalog)**

20. This cause of action arises under the Copyright Laws of the United States, Title 17 United States Code Sec. 101 et seq.

21. G&P's is well known for creating unique and original textile designs. One of G&P's most popular and widely publicized original designs is a design that G&P identifies as "BEADS".

22. G&P's BEADS design consists of material which is wholly original and is copyrightable subject matter under the Copyright Laws of the United States, 17 U.S.C. Sec. 101, et seq.

23. G&P has previously duly complied with the provisions of the Copyright Laws of the United States, and has secured rights and privileges in and to its BEADS Design, and has duly requested from the Register of Copyrights a Certificate of Registration pending to said design, identified as "BEADS", Copyright Registration VA-1-140-939 registered on August 28, 2002. A copy of said issued Certificate of Copyright Registration is attached hereto as Exhibit A and a copy of said BEADS Design is attached hereto as Exhibit B.

24. All copies of G&P's BEADS Design have been sold and/or used in conformity with the provisions of the Copyright Laws of the United States.

25. Upon information and belief, Defendant Chiasso having full knowledge of the copyright rights of G&P in the BEADS Design as alleged herein, has infringed the aforesaid copyright of G&P by publishing and distributing a catalog, namely the Holiday

2006 Collection catalog (with a cover that shows candlesticks), which pictured a design copied from G&P's BEADS Design.

26. A copy of portions of said catalog of the Defendant is attached hereto as Exhibit D.

27. Plaintiff has given notice to Defendant of its rights, and Defendant has failed to stop its wrongful activities.

28. Upon information and belief, Chiasso has caused and profited from the foregoing acts of infringement.

29. All of the acts of Defendant as set forth in the preceding paragraphs were undertaken without the permission, license, or consent of G&P, and are irreparably damaging to G&P.

30. Plaintiff has been damaged by the acts of Defendant which, if not stopped, will injure Plaintiff at least in the amount of \$500,000.

COUNT III

(Copyright Infringement By Publication and Displaying By Catalog)

31. This cause of action arises under the Copyright Laws of the United States, Title 17 United States Code Sec. 101 et seq.

32. G&P's is well known for creating unique and original textile designs. One of G&P's most popular and widely publicized original designs is a design that G&P identifies as "BEADS".

33. G&P's BEADS design consists of material which is wholly original and is copyrightable subject matter under the Copyright Laws of the United States, 17 U.S.C.

Sec. 101, et seq.

34. G&P has previously duly complied with the provisions of the Copyright Laws of the United States, and has secured rights and privileges in and to its BEADS Design, and has duly requested from the Register of Copyrights a Certificate of Registration pending to said design, identified as "BEADS", Copyright Registration VA-1-140-939 registered on August 28, 2002. A copy of said issued Certificate of Copyright Registration is attached hereto as Exhibit A and a copy of said BEADS Design is attached hereto as Exhibit B.

35. All copies of G&P's BEADS Design have been sold and/or used in conformity with the provisions of the Copyright Laws of the United States.

36. Upon information and belief, Defendant Chiasso having full knowledge of the copyright rights of G&P in the BEADS Design as alleged herein, has infringed the aforesaid copyright of G&P by publishing and distributing a catalog, namely the Holiday 2006 Collection catalog (with a cover that shows a "star" made of crystals), which pictured a design copied from G&P's BEADS Design.

37. A copy of portions of said catalog of the Defendant is attached hereto as Exhibit E.

38. Plaintiff has given notice to Defendant of its rights, and Defendant has failed to stop its wrongful activities.

39. Upon information and belief, Chiasso has caused and profited from the foregoing acts of infringement.

40. All of the acts of Defendant as set forth in the preceding paragraphs were undertaken without the permission, license, or consent of G&P, and are irreparably

damaging to G&P.

41. Plaintiff has been damaged by the acts of Defendant which, if not stopped, will injure Plaintiff at least in the amount of \$500,000.

COUNT IV

**(Copyright Infringement
By Publication and Displaying By Catalog)**

42. This cause of action arises under the Copyright Laws of the United States, Title 17 United States Code Sec. 101 et seq.

43. G&P's is well known for creating unique and original textile designs. One of G&P's most popular and widely publicized original designs is a design that G&P identifies as "BEADS".

44. G&P's BEADS design consists of material which is wholly original and is copyrightable subject matter under the Copyright Laws of the United States, 17 U.S.C. Sec. 101, et seq.

45. G&P has previously duly complied with the provisions of the Copyright Laws of the United States, and has secured rights and privileges in and to its BEADS Design, and has duly requested from the Register of Copyrights a Certificate of Registration pending to said design, identified as "BEADS", Copyright Registration VA-1-140-939 registered on August 28, 2002. A copy of said issued Certificate of Copyright Registration is attached hereto as Exhibit A and a copy of said BEADS Design attached hereto as Exhibit B.

46. All copies of G&P's BEADS Design have been sold and/or used in

conformity with the provisions of the Copyright Laws of the United States.

47. Upon information and belief, Defendant Chiasso having full knowledge of the copyright rights of G&P in the BEADS Design as alleged herein, has infringed the aforesaid copyright of G&P by publishing and a distributing a catalog, namely the Holiday 2006 Collection catalog (with a cover that shows 2 red chairs), which pictured a design copied from G&P's BEADS Design.

48. A copy of portions of said catalog of the Defendant is attached hereto as Exhibit F.

49. Plaintiff has given notice to Defendant of its rights, and Defendant has failed to stop its wrongful activities.

50. All of the acts of Defendant as set forth in the preceding paragraphs were undertaken without the permission, license, or consent of G&P, and are irreparably damaging to G&P.

51. Plaintiff has been damaged by the acts of Defendant which, if not stopped, will injure Plaintiff at least in the amount of \$500,000.

COUNT V

(Copyright Infringement By Publication and Displaying By Catalog)

52. This cause of action arises under the Copyright Laws of the United States, Title 17 United States Code Sec. 101 et seq.

53. G&P's is well known for creating unique and original textile designs. One of G&P's most popular and widely publicized original designs is a design that G&P

identifies as "BEADS".

54. G&P's BEADS design consists of material which is wholly original and is copyrightable subject matter under the Copyright Laws of the United States, 17 U.S.C. Sec. 101, et seq.

55. G&P has previously duly complied with the provisions of the Copyright Laws of the United States, and has secured rights and privileges in and to its BEADS Design, and has duly requested from the Register of Copyrights a Certificate of Registration pending to said design, identified as "BEADS", Copyright Registration VA-1-140-939 registered on August 28, 2002. A copy of said issued Certificate of Copyright Registration is attached hereto as Exhibit A and a copy of said BEADS Design is attached hereto as Exhibit B.

56. All copies of G&P's BEADS Design have been sold and/or used in conformity with the provisions of the Copyright Laws of the United States.

57. Upon information and belief, Defendant Chiasso having full knowledge of the copyright rights of G&P in the BEADS Design as alleged herein, has infringed the aforesaid copyright of G&P by publishing and, distributing a catalog, namely the Winter 2007 Collection catalog (with a cover that shows a large brown bench with a multi-colored rug), which pictured a design copied from G&P's BEADS Design.

58. A copy of portions of said catalog of the Defendant is attached hereto as Exhibit G.

59. Plaintiff has given notice to Defendant of its rights, and Defendant has failed to stop its wrongful activities.

60. Upon information and belief, Chiasso has caused and profited from the

foregoing acts of infringement.

61. All of the acts of Defendant as set forth in the preceding paragraphs were undertaken without the permission, license, or consent of G&P, and are irreparably damaging to G&P.

62. Plaintiff has been damaged by the acts of Defendant which, if not stopped, will injure Plaintiff at least in the amount of \$500,000.

COUNT VI

**(Copyright Infringement
By Publication and Displaying By Catalog)**

63. This cause of action arises under the Copyright Laws of the United States, Title 17 United States Code Sec. 101 et seq.

64. G&P's is well known for creating unique and original textile designs. One of G&P's most popular and widely publicized original designs is a design that G&P identifies as "BEADS".

65. G&P's BEADS design consists of material which is wholly original and is copyrightable subject matter under the Copyright Laws of the United States, 17 U.S.C. Sec. 101, et seq.

66. G&P has previously duly complied with the provisions of the Copyright Laws of the United States, and has secured rights and privileges in and to its BEADS Design, and has duly requested from the Register of Copyrights a Certificate of Registration pending to said design, identified as "BEADS", Copyright Registration VA-1-140-939 registered on August 28, 2002. A copy of said issued Certificate of Copyright Registration is attached hereto as Exhibit A and a copy of said BEADS

Design is attached hereto as Exhibit B.

67. All copies of G&P's BEADS Design have been sold and/or used in conformity with the provisions of the Copyright Laws of the United States.

68. Upon information and belief, Defendant Chiasso having full knowledge of the copyright rights of G&P in the BEADS Design as alleged herein, has infringed the aforesaid copyright of G&P by publishing and, distributing a catalog, namely the Winter 2007 Collection catalog (with a cover that shows a large yellow couch with silver floor ornaments), which pictured a design copied from G&P's BEADS Design.

69. A copy of portions of said catalog of the Defendant is attached hereto as Exhibit H.

70. Plaintiff has given notice to Defendant of its rights, and Defendant has failed to stop its wrongful activities.

71. Upon information and belief, Chiasso has caused and profited from the foregoing acts of infringement.

72. All of the acts of Defendant as set forth in the preceding paragraphs were undertaken without the permission, license, or consent of G&P, and are irreparably damaging to G&P.

73. Plaintiff has been damaged by the acts of Defendant which, if not stopped, will injure Plaintiff at least in the amount of \$500,000.

COUNT VII

**(Copyright Infringement
By Publication and Displaying By Catalog)**

74. This cause of action arises under the Copyright Laws of the United States, Title 17 United States Code Sec. 101 et seq.

75. G&P's is well known for creating unique and original textile designs. One of G&P's most popular and widely publicized original designs is a design that G&P identifies as "BEADS".

76. G&P's BEADS design consists of material which is wholly original and is copyrightable subject matter under the Copyright Laws of the United States, 17 U.S.C. Sec. 101, et seq.

77. G&P has previously duly complied with the provisions of the Copyright Laws of the United States, and has secured rights and privileges in and to its BEADS Design, and has duly requested from the Register of Copyrights a Certificate of Registration pending to said design, identified as "BEADS", Copyright Registration VA-1-140-939 registered on August 28, 2002. A copy of said issued Certificate of Copyright Registration is attached hereto as Exhibit A and a copy of said BEADS Design is attached hereto as Exhibit B.

78. All copies of G&P's BEADS Design have been sold and/or used in conformity with the provisions of the Copyright Laws of the United States.

79. Upon information and belief, Defendant Chiasso having full knowledge of the copyright rights of G&P in the BEADS Design as alleged herein, has infringed the

aforesaid copyright of G&P by publishing and, distributing a catalog, namely the Spring 2007 Collection catalog (with a cover that shows a large white chair and green and yellow rugs), which pictured a design copied from G&P's BEADS Design.

80. A copy of portions of said catalog of the Defendant is attached hereto as Exhibit I.

81. Plaintiff has given notice to Defendant of its rights, and Defendant has failed to stop its wrongful activities.

82. Upon information and belief, Chiasso has caused and profited from the foregoing acts of infringement.

83. All of the acts of Defendant as set forth in the preceding paragraphs were undertaken without the permission, license, or consent of G&P, and are irreparably damaging to G&P.

84. Plaintiff has been damaged by the acts of Defendant which, if not stopped, will injure Plaintiff at least in the amount of \$500,000.

COUNT VIII

(Copyright Infringement By Publication and Displaying By Catalog)

85. This cause of action arises under the Copyright Laws of the United States, Title 17 United States Code Sec. 101 et seq.

86. G&P's is well known for creating unique and original textile designs. One of G&P's most popular and widely publicized original designs is a design that G&P identifies as "BEADS".

87. G&P's BEADS design consists of material which is wholly original and is

copyrightable subject matter under the Copyright Laws of the United States, 17 U.S.C. Sec. 101, et seq.

88. G&P has previously duly complied with the provisions of the Copyright Laws of the United States, and has secured rights and privileges in and to its BEADS Design, and has duly requested from the Register of Copyrights a Certificate of Registration pending to said design, identified as "BEADS", Copyright Registration VA-1-140-939 registered on August 28, 2002. A copy of said issued Certificate of Copyright Registration is attached hereto as Exhibit A and copy of said BEADS Design is attached hereto as Exhibit B.

89. All copies of G&P's BEADS Design have been sold and/or used in conformity with the provisions of the Copyright Laws of the United States.

90. Upon information and belief, Defendant Chiasso having full knowledge of the copyright rights of G&P in the BEADS Design as alleged herein, has infringed the aforesaid copyright of G&P by publishing and, distributing a catalog, namely the Spring 2007 Collection catalog (with a cover that is primarily yellow), which pictured a design copied from G&P's BEADS Design.

91. A copy of portions of said catalog of the Defendant is attached hereto as Exhibit J.

92. Plaintiff has given notice to Defendant of its rights, and Defendant has failed to stop its wrongful activities.

93. Upon information and belief, Chiasso has caused and profited from the foregoing acts of infringement.

94. All of the acts of Defendant as set forth in the preceding paragraphs were

undertaken without the permission, license, or consent of G&P, and are irreparably damaging to G&P.

95. Plaintiff has been damaged by the acts of Defendant which, if not stopped, will injure Plaintiff at least in the amount of \$500,000.

WHEREFORE, Plaintiff demands:

A. That Defendant, its agents, servants, related companies, and all parties in privity with it, or any one of them, be enjoined preliminarily and permanently from infringing the BEADS copyright of Plaintiff either by displaying, distributing, selling, promoting and/or advertising the rugs or other products that are substantially similar to Plaintiff's BEADS design or by issuing catalogs and other promotional material showing the same;

B. That Defendant be required to pay the Plaintiff such damages as Plaintiff sustained as a consequence of Defendant's infringement and to account for all gains, profits and advantages derived by Defendant from said infringement, and that such award for damages be trebled due to willful and wanton nature thereof;

C. That Defendant be responsible for enhanced statutory damages due to the willful nature of the infringement;

D. That Defendant pay to Plaintiff its costs of this action and Plaintiff's reasonable attorneys' fees, as the Court may allow Plaintiff.

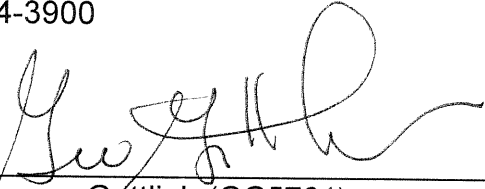
E. That Plaintiff be granted such other and further relief as the Court may deem just.

JURY DEMAND

Plaintiff demands a trial by jury.

GOTTLIEB, RACKMAN & REISMAN, P.C.
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(212) 684-3900

By: _____


George Gottlieb (GG5761)
Marc P. Mishtal (MM 6636)

Dated: New York, New York
July 16, 2007